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State Water Resources Control Board

Division of Financial Assistance

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Arnold Schwarzenegger
Governor

PROPOSED STATE FISCAL YEAR (SFY) 2004/05

STATE REVOLVING FUND (SRF)

LOAN PROGRAM PRIORITY LIST (LIST)

Thursday, June 1, 2004 – 10:00 a. m.

Joe Serna, Jr. Cal/EPA Building
Coastal Hearing Room – Second Floor
1001 I Street, Sacramento, CA

This announcement is to inform interested and affected parties that the State Water Resources Control Board (SWRCB) will consider adoption of the SFY 2004/05 List at its Workshop on June 1, 2004. SRF loan funds can be used for construction of wastewater treatment and water reclamation facilities, correction of non-point source and storm drainage pollution problems, and implementation of estuary enhancement activities. A project must appear on the List to qualify for loan assistance.

The Division of Financial Assistance (Division) has developed the draft SFY 2004/05 List. Enclosed is a copy of the draft List that reflects current recommendations from the Regional Water Quality Control Boards and SWRCB staff. The draft List may also be viewed on our website at http://www.swrcb.ca.gov/cwphome/srf/srf_plist/index.html.

The fundable portion (first year) of the List contains those projects that have received a preliminary loan commitment and are scheduled for loan assistance during the first year of the five-year planning period. Although a project may be identified on the fundable portion of the List, this does not guarantee disbursement of funds. Projects that fail to meet established milestones may be bypassed in favor of projects ranked lower on the List that are ready to proceed to construction. Projects that become ready for construction, but are not on the fundable portion of the List (the remaining four years), are moved to the fundable portion after a preliminary loan commitment is issued.

The SWRCB suspended processing new SRF applications during SFY 2003/2004 due to the limited funds in the SRF account and current staffing issues. The SWRCB intends to resume processing applications at the earliest date possible because of the importance of the SRF program to its goals, but it is unclear at this time when the SWRCB will be able to resume the program fully due to a number of factors outside its control.

KEY ISSUES AND RECOMMENDATIONS FOR 2004/2005 LIST

ISSUE 1: Should the SWRCB adopt the SFY 2004/05 List?

RECOMMENDATION: Although the SRF account has limited funds available for the coming year, the Division recommends approval of the SFY 2004/05 List. Adopting the List now will document the current need for additional SRF funds and allow the SWRCB to expeditiously resume making loan commitments once sufficient funds do become available.



ISSUE 2: Should the SWRCB make the limited SRF funds available to small, financially disadvantaged communities?

RECOMMENDATION: The SWRCB has available approximately \$20 million in grant funds from Propositions 40 and 50 for the Small Communities Grant (SCG) program. The intent of the SCG program is to provide supplementary grants to small, financially disadvantaged communities that would otherwise be unable to afford the debt service on their wastewater infrastructure projects. The SWRCB receives these funds on an irregular basis, and this funding is available for a limited period of time. The Division recommends that the SWRCB make the limited funds in the SRF account for the coming year available to projects that receive a grant from the SCG program.

ISSUE 3: Should the SWRCB adopt with the SFY 2004/05 List a cap on the amount of loan funds that can be disbursed per year to an agency receiving SRF loan funds?

RECOMMENDATION: In past years the SWRCB established the funding cap when it adopted the List. Since this decision is largely based on the estimated funding available for the coming year, the Division recommends that the SWRCB defer this decision until it determines that sufficient funds are available to resume making general commitments.

TO TESTIFY

You may submit written comments and give oral statements. Written comments should be submitted as early as possible to allow for thorough staff analysis. All comments are due by 5:00 p.m. on Friday, May 21, 2004, and should be directed to:

Mr. Robert Pontureri
Division of Financial Assistance
P.O. Box 944212
Sacramento, CA 94244-2120.

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All visitors are required to sign in and receive a badge prior to attending any meeting in the building. The Visitor and Environmental Services Center is located just inside and to the left of the Cal/EPA Building's public entrance. Valid picture identification may be required due to the security level. Please allow up to 15 minutes for this process.

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FOLLOW-UP SCHEDULE

1. This issue will be considered for SWRCB adoption at a future Board Meeting.
2. Submittal to United States Environmental Protection Agency for approval of the SFY 2004/05 SRF Loan Program Priority List, December 1, 2004.

FUTURE NOTICES ABOUT THE SRF PROGRAM

The SWRCB appreciates your interest in the SRF Program. This will be the last hard copy notice regarding the SRF Program. If you wish to continue receiving updates and notices regarding the SRF Program, the SWRCB invites you to subscribe to our electronic mailing list. Please follow the instructions below to add your name to our electronic mailing list.

1. Go to the SWRCB's home page at www.swrcb.ca.gov.
2. Select "Subscribe" under "Email Subscription" from the "Reference Links" on the right hand side of the page.
3. Enter your email address and full name in the appropriate boxes.
4. Put a check mark next to "Clean Water State Revolving Fund." You may also put check marks next to any other electronic mailing lists that interest you.
5. Once you have selected all the lists that interest you, click on the "Subscribe" button.
6. A confirmation email will be sent to you from lyris@swrcb18.swrcb.ca.gov.
7. Open, read, and respond to the confirmation email. Your response will verify your subscription.

CONTACT PERSON

Any questions regarding this issue should be directed to Mr. Pontureri at (916) 341-5828 or ponturer@cwp.swrcb.ca.gov. Individuals who require special accommodations are requested to contact Mr. Adrian Perez at (916) 341-5880 or APerez@exec.swrcb.ca.gov at least five working days prior to the meeting date. TTY users may contact the California Relay service at 800-735-2929 or voice line at 800-735-2922.


Debbie Irvin
Clerk to the Board

April 22, 2004

Enclosure